

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO.
NORTH SHELBY WATER COMPANY) 2017-00220

ORDER

On May 26, 2017, North Shelby Water Company (“North Shelby”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. North Shelby purchases water from the Louisville Water Company (“Louisville”), Shelbyville Municipal Water and Sewer Commission (“Shelbyville”), Frankfort Electric and Water Plant Board (“Frankfort”), and West Shelby Water District (“West Shelby”).

2. Louisville notified North Shelby on March 29, 2017, that its monthly Meter Service Charge rate would increase from \$997.50 per month to \$1,026.00 per month, and its wholesale rate would increase from \$2.20 per 1,000 gallons to \$2.25 per 1,000 gallons.² Shelbyville notified North Shelby on December 6, 2016, that its wholesale rate would increase from \$1.894 per 1,000 gallons to \$1.96 per 1,000 gallons effective on

¹ KRS 278.012; 807 KAR 5:068.

² TFS 2017-00159 (Ky. PSC filed Mar. 29, 2017); The tariff was accepted for filing by the Commission by letter dated June 2, 2017.

on January 19, 2017.³ North Shelby proposed to increase the water rates to its customers effective July 1, 2017, to reflect the increased cost of purchased water from Louisville and Shelbyville.

3. North Shelby proposes a purchased water adjustment factor of \$0.06 per 1,000 gallons.

4. During the 12 month ended April 30, 2016, North Shelby purchased 272,101,000 gallons of water from Louisville, 108,086,200 gallons of water from Shelbyville, and 64,370,000 gallons of water from Frankfort. During the same period, North Shelby sold 357,767,800 gallons of water. The increase in the cost of purchased water is \$21,080.74, resulting in a purchased water adjustment factor of \$0.06 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.06 per 1,000 gallons, as calculated in Appendix A to this Order, permits North Shelby to pass through the increase in its wholesale rates from Louisville and Shelbyville, is fair, just and reasonable, and should be approved.

6. North Shelby's proposed rates as set forth in Appendix B to this Order are fair, just and reasonable, and should be approved for water service rendered by North Shelby on and after July 1, 2017.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.06 per 1,000 gallons is approved.

³ TFS 2016-00701 (Ky. PSC filed Dec. 6, 2016); The tariff was accepted for filing by the Commission by letter dated Jan. 19, 2017.

2. North Shelby's proposed rates as set forth in Appendix B to this Order are approved for water service rendered by North Shelby on and after July 1, 2017.

3. Within 20 days of the date of this Order, North Shelby shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

A handwritten signature in blue ink, appearing to be "Paul B. ...", written over a horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00220 DATED **JUN 14 2017**

	New Rate	Base Rate
North Shelby Louisville		
Purchases in gallons	272,101,000	272,101,000
	<u>\$ 2.25/1,000</u>	<u>\$ 2.20/1,000</u>
	\$612,227.25	\$598,622.20
 Louisville		
Meter Service Charge	1,026.00	997.50
	<u>X12</u>	<u>X12</u>
	\$12,312.00	\$ 11,970.00
 Shelbyville		
Purchases in gallons	108,086,200	108,086,200
	<u>\$1.960/1,000</u>	<u>\$ 1.894/1,000</u>
	\$211,848.95	\$ 204,715.26
 Frankfort		
Purchases in gallons	64,370,000	64,370,000
	<u>NO CHANGE</u>	<u>NO CHANGE</u>
 West Shelby		
Purchases in gallons	0	0
	<u>NO CHANGE</u>	<u>NO CHANGE</u>
 Total	\$836,388.20	\$815,307.46
 Increased water cost		\$ 21,080.74
 Increased water cost		\$ 21,080.74
Divided by gallons sold/1,000		<u>357,767,800</u>
Purchased water adjustment factor		\$ 0.0589 per 1,000 gallons
		or \$ 0.06 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00220 DATED **JUN 14 2017**

The following rates and charges are prescribed for the customers in the area served by North Shelby Water Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- x 3/4-Inch Meter

First	2,000 gallons	\$ 20.79 Minimum Bill
Next	3,000 gallons	7.25 per 1,000 gallons
Next	5,000 gallons	5.87 per 1,000 gallons
Next	40,000 gallons	5.18 per 1,000 gallons
Over	50,000 gallons	4.50 per 1,000 gallons

1-Inch Meter

First	5,000 gallons	\$ 42.54 Minimum Bill
Next	5,000 gallons	5.87 per 1,000 gallons
Next	40,000 gallons	5.18 per 1,000 gallons
Over	50,000 gallons	4.50 per 1,000 gallons

1 1/2-Inch Meter

First	10,000 gallons	\$ 71.89 Minimum Bill
Next	40,000 gallons	5.18 per 1,000 gallons
Over	50,000 gallons	4.50 per 1,000 gallons

2-Inch Meter

First	15,000 gallons	\$ 97.79 Minimum Bill
Next	35,000 gallons	5.18 per 1,000 gallons
Over	50,000 gallons	4.50 per 1,000 gallons

3-Inch Meter

First	35,000 gallons	\$201.39 Minimum Bill
Next	15,000 gallons	5.18 per 1,000 gallons
Over	50,000 gallons	4.50 per 1,000 gallons

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